

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 2022-____ C

Application of UNITED COMMERCIAL TELECOM, LLC)
For a Certificate of Public Convenience and Necessity)
to Provide Access and Local Exchange)
Telecommunications Services and for local service)
and for flexible regulation of local exchange service.)

UNITED COMMERCIAL TELECOM, LLC

Testimony of

MARK SCHUH

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND TELEPHONE NUMBER.

A. My name is MARK SCHUH. My business address is 725 Primera Blvd., Suite 120, Lake Mary, Florida 32746. My telephone number is 407-221-1027

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am the President of United Commercial Telecom, LLC, the Applicant in this proceeding,

Q. WHAT ARE YOUR RESPONSIBILITIES WITH UNITED COMMERCIAL TELECOM CORPORATION?

A. As President I am responsible for UCT's day-to-day operations, excluding sales and marketing, for the company's ongoing profitability. I also oversee the financial responsibility of the Applicant.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND, PROFESSIONAL EXPERIENCE.

I have extensive professional and industry specific experience necessary to ensure UCT's continued success. I hold a Master's degree in Urban and Regional Planning Florida from Atlantic University, a Bachelors in English Literature, University of South Florida as well as a Master's in Industrial Engineering. I have worked for all major ILECS and wireless carriers for many years before choosing to move into construction management, overseeing hundreds of technicians. "I wanted to work with the people who were building what I designed," he said, foregoing a progression into the corporate workforce. I joined UCT in 2016 but have worked with its real estate and parent company since 1999 and have continued to build upon my reputation as a compassionate leader, always ensuring the best for employees and customers by instilling an employee covenant built on mutual respect

1 and trust. I have personally experienced every facet of the telecom industry which has
2 helped me develop into a leader known for my deep appreciation of UCT's employees and
3 the challenging work they perform every day.

4 **Q. HAS UNITED COMMERCIAL TELECOM REGISTERED TO DO BUSINESS IN**
5 **SOUTHCAROLINA?**

6 **A.** Yes, UNITED COMMERCIAL TELECOM has obtained authorization from the
7 South Carolina Secretary of State.

8 **Q. ARE YOU FAMILIAR WITH THE APPLICATION SUBMITTED BY YOUR**
9 **COMPANY TO THIS COMMISSION?**

10 **A.** Yes, I am.

11 **Q. DID YOU HAVE HELP IN PREPARING THIS TESTIMONY?**

12 **A.** Yes, I did. A consultant specializing in establishing telecommunications certifications,
13 Joseph Isaacs, aided in the preparation of my testimony.

14 **Q. DO YOU CONFIRM THE STATEMENTS AND REPRESENTATIONS MADE IN**
15 **THAT APPLICATION?**

16 **A.** Yes, I do.

17 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?****A.**

18 My testimony addresses UNITED COMMERCIAL TELECOM's practices and
19 proposed South Carolina services, and demonstrates that UNITED COMMERCIAL
20 TELECOM possesses the financial, technical, managerial, and operational capabilities to
21 operate as a provider of competitive access and local exchange services in South Carolina,
22 as well as UNITED COMMERCIAL TELECOM's intent to comply with all applicable
23 Commission regulations.

1 **Q. PLEASE DESCRIBE THE AUTHORITY THAT UNITED COMMERCIAL**
2 **TELECOM SEEKS FROM THE COMMISSION.**

3 **A. UNITED COMMERCIAL TELECOM** seeks a certificate of authority to provide facilities-
4 based local exchange and Access telecommunications services throughout the State of
5 South Carolina. UNITED COMMERCIAL TELECOM proposes to provide its services as
6 a carrier's carrier utilizing its network within the State of South Carolina.

7 **Q. HAS UNITED COMMERCIAL TELECOM OR ITS AFFILIATES BEEN**
8 **AUTHORIZED TO PROVIDE SUCH SERVICE IN ANY OTHER**
9 **JURISDICTIONS?**

10 **A. Yes, UNITED COMMERCIAL TELECOM** is authorized to provide such services in
11 Florida, Georgia, Tennessee, Texas and Pennsylvania. UNITED COMMERCIAL
12 TELECOM currently has pending petitions in Louisiana and Arizona.

13 **Q. HAS UNITED COMMERCIAL TELECOM EVER BEEN DENIED**
14 **AUTHORIZATION BY A STATE REGULATORY AGENCY?**

15 **A. No, UNITED COMMERCIAL TELECOM** has never been denied authorization by any
16 State or Federal regulatory agency.

17 **Q. HAS UNITED COMMERCIAL TELECOM PROVIDED SERVICE UNDER ANY**
18 **OTHER NAME?**

19 **A. No, UNITED COMMERCIAL TELECOM** does not provide telecommunications services
20 under any other name.

21 **Q. HAVE ANY COMPLAINTS OR JUDGEMENTS BEEN LEVIED AGAINST THE**
22 **COMPANY?**

23 **A. No complaints or judgments** have been levied against the company.

1 **Q. PLEASE DESCRIBE THE CORPORATE STRUCTURE OF UNITED**
2 **COMMERCIAL TELECOM**

3 **A.** UNITED COMMERCIAL TELECOM is a Limited Liability Company organized under
4 the laws of the State of Florida. UNITED COMMERCIAL TELECOM is a member
5 managed LLC and its one and only member is its parent company, ARMS HOLDINGS,
6 INC. (a private entity) A copy of the Articles of Organization are attached to UNITED
7 COMMERCIAL TELECOM's application as Exhibit "A". UNITED COMMERCIAL
8 TELECOM currently employs 20+ individuals in administration, sales and marketing,
9 accounting, and operations positions. UNITED COMMERCIAL TELECOM has not or
10 does not currently provide local service in South Carolina under any other name. UNITED
11 COMMERCIAL TELECOM is a wholly owned subsidiary of UNITED COMMERCIAL
12 TELECOM, Inc.

1 **Q. PLEASE ADDRESS UNITED COMMERCIAL TELECOM'S MANAGERIAL**
2 **AND TECHNICAL QUALIFICATIONS.**

3 **A.** UNITED COMMERCIAL TELECOM possesses the managerial and technical
4 qualifications to provide local exchange and Interexchange telecommunications service in
5 South Carolina. UNITED COMMERCIAL TELECOMs management team has
6 considerable experience in marketing, network operations, financial analysis/accounting,
7 customer service, training, sales, regulatory, and other relevant areas. A description of the
8 telecommunications experience and expertise of UNITED COMMERCIAL TELECOM's
9 key management personnel is attached to UNITED COMMERCIAL TELECOM's
10 application at Exhibit "D". As the resumes of UNITED COMMERCIAL TELECOM's
11 key personnel reflect, these individuals have substantial experience in various aspects of
12 telecommunications operations. Each member of UNITED COMMERCIAL
13 TELECOM's management team will draw upon his or her own experience, as well as the
14 collective experience of the entire management team, to ensure that UNITED
15 COMMERCIAL TELECOM is managed and operated efficiently and profitably.

16
17 **Q. PLEASE DESCRIBE UNITED COMMERCIAL TELECOM'S FINANCIAL**
18 **QUALIFICATIONS.**

19 **A.** UNITED COMMERCIAL TELECOM is financially qualified to provide the proposed
20 telecommunications services within South Carolina. (Please see Financial Statements of its
21 parent company attached to the Application).

1 **Q. PLEASE DESCRIBE THE TYPES OF SERVICES THAT UNITED**
2 **COMMERCIAL TELECOM PROPOSES TO OFFER IN SOUTH CAROLINA.**

3 **A.** UNITED COMMERCIAL TELECOM seeks authority to provide competitive local
4 exchange and Access telecommunications services through the utilization of its own
5 networks. UNITED COMMERCIAL TELECOM intends to offer data communications
6 and fiber optic services as a carrier's carrier.

7 **Q. HOW WILL UNITED COMMERCIAL TELECOM PROVIDE THESE**
8 **SERVICES?**

9 **A.** UNITED COMMERCIAL TELECOM will utilize the infrastructure it currently owns and
10 plans to build to service other carriers throughout the State of South Carolina. UNITED
11 COMMERCIAL TELECOM currently plans to own facilities in South Carolina in the
12 future, and thus seeks authority to provide both facilities-based and access
13 telecommunications services in South Carolina.

14 **Q. WHAT GEOGRAPHIC AREAS WILL UNITED COMMERCIAL TELECOM**
15 **SERVE?**

16 **A.** UNITED COMMERCIAL TELECOM seeks authority to provide facilities-based local and
17 access services throughout the state of South Carolina. However, UNITED
18 COMMERCIAL TELECOM requests statewide authority so that it may expand its service
19 areas in the future as market conditions warrant.

20 **Q. HOW DOES UNITED COMMERCIAL TELECOM INTEND TO MARKET ITS**
21 **SERVICES?**

22 **A.** UNITED COMMERCIAL TELECOM intends to utilize in-house marketing staff as well
23 as outside salespersons and agents.

Q. HOW WILL UNITED COMMERCIAL TELECOM RESPOND TO CUSTOMER INQUIRIES AND COMPLAINTS?

A. UNITED COMMERCIAL TELECOM will mainly deal with other carrier's so the typical customer service to end users wont ne necessary at this time.

Q. WHO IS THE PERSON WITHIN UNITED COMMERCIAL TELECOM THAT IS RESPONSIBLE FOR THE HANDLING OF CONSUMER COMPLAINTS, INCLUDING THOSE THAT MAY BE FORWARDED TO THE COMPANY BY THIS COMMISSION?

A. Initially, I will assume overall responsible for handling consumer complaints.

Q. IF AUTHORIZED TO PROVIDE COMPETITIVE TELECOMMUNICATIONS SERVICES, WILL UNITED COMMERCIAL TELECOM ABIDE BY THE RULES, REGULATIONS, POLICIES AND ORDERS OF THIS COMMISSION, AND THE LAWS OF THE STATE OF SOUTH CAROLINA, IN ITS PROVISION OF COMPETITIVE INTRASTATE LOCAL EXCHANGE AND INTEREXCHANGE SERVICES, AS NOW ADOPTED OR THAT MAY BE ADOPTED?

1 A. Yes we will. As an existing player in the competitive local service industry, UNITED
2 COMMERCIAL TELECOM will provide service in the State in full compliance with any
3 and all rules and regulations that have been or may be adopted relating to the provision of
4 local exchange and Interexchange services, as well as any other applicable state or federal
5 rules, regulations, or statutes. For example, UNITED COMMERCIAL TELECOM will
6 comply with any requirements that the Commission and/or the State of South Carolina may
7 feel are necessary to preserve and advance universal service, protect the public safety and
8 welfare, ensure the continued quality of local services, and safeguard the rights of
9 consumers. UNITED COMMERCIAL TELECOM will also comply with all statutory and
10 Commission requirements including the filing of tariffs; customer notification of rate
11 increases; customer billing and credit issues; access to 9-1-1 services; access to
12 telecommunications for persons with disabilities; pay-per-call services; and the filing of
13 regulatory reports and the payment of regulatory assessments, the preservation of records
14 and procedures governing the establishment of credit, billing, deposits, termination of
15 service, and issuance of telephone directories. UNITED COMMERCIAL TELECOM does
16 not plan to offer pay per call services.

1 **Q. DID UNITED COMMERCIAL TELECOM REQUEST ANY WAIVERS IN ITS**
2 **APPLICATION?**

3 **A.** Yes, UNITED COMMERCIAL TELECOM has requested waivers from any requirements
4 that its financial records be maintained in conformance with the Uniform System of
5 Accounts. We currently maintain our records in accordance with GAAP; and therefore, do
6 not possess the detailed cost data required by USOA. In addition, we requested a waiver of
7 26 S.C. Reg. 103-610's requirement that our books be kept in South Carolina. Our records
8 are currently maintained in North Carolina at our corporate facility. Maintaining its books
9 and records in South Carolina would be unduly burdensome. UNITED COMMERCIAL
10 TELECOM has a registered agent in South Carolina and will bear any costs associated
11 with the Commission's inspection of its books and records. As a carrier's carrier we also
12 requested to be exempt from the publication of a local directory. Because its service
13 territory will mirror those of the incumbent's, UNITED COMMERCIAL TELECOM has
14 requested a waiver of the map filing requirement.

15 **Q. WILL UNITED COMMERCIAL TELECOM'S USE OF GAAP PROVIDE**
16 **SUFFICIENT DETAIL FOR THE CALCULATION OF APPLICABLE TAXES?**

17 **A.** UNITED COMMERCIAL TELECOM will maintain sufficient detail to facilitate the
18 calculation of applicable taxes including the preparation of the South Carolina Gross
19 Receipt Tax returns. It's parent company is publicly traded so 10-Q's and 10-k's are
20 always available through the link provided within the Application.

21 **Q. DID UNITED COMMERCIAL TELECOM REQUEST FLEXIBLE**
22 **REGULATORY TREATMENT FOR ITS LOCAL EXCHANGE SERVICES?**

1 **A.** Yes, the Company will be a non-dominant, competitive provider of local exchange
2 telecommunications services. Therefore, we request that the Commission regulate our
3 company in the same relaxed fashion authorized in Order No. 98-165 in Docket No. 97-
4 467-C and extended to other similarly situated carriers. We understand that the flexible
5 regulatory treatment requires that we file maximum rates for our service offerings. Local
6 tariff filings would be presumed valid once they are filed subject to the Commission's right
7 to investigate the filing within thirty (30) days.

8 **Q. HOW WILL SOUTH CAROLINA CONSUMERS BENEFIT FROM UNITED**
9 **COMMERCIAL TELECOM SERVICES?**

10 **A.** Granting of UNITED COMMERCIAL TELECOM's Application will introduce a
11 telecommunications service provider committed to providing high quality, innovative, and
12 technologically advanced services that will further increase telecommunications services
13 in South Carolina. UNITED COMMERCIAL TELECOM's network will utilize state-of-
14 the-art technology. UNITED COMMERCIAL TELECOM's service offerings will
15 increase consumer choice, improve the quality and efficiency in telecommunications
16 services and will likely lead to the reduction of consumer costs, as well as stimulate
17 development of additional services by providing competitive incentives to other providers.
18 Thus, granting UNITED COMMERCIAL TELECOM's application is in the public
19 interest.

1 **Q. HOW WILL UNITED COMMERCIAL TELECOM GUARD AGAINST**
2 **SLAMMING?**

3 **A.** As a new competitive entrant into the market, UNITED COMMERCIAL TELECOM has
4 never had an incident of slamming or any other form of customer complaint. UNITED
5 COMMERCIAL TELECOM will comply with South Carolina law and the recently revised
6 Federal Communications Commission’s (“FCC’s”) regulations regarding how carriers may
7 change a consumer’s local exchange carrier or Primary Interchange Carrier (“PIC”),
8 pursuant to 47 C.F.R. §64.110 *et seq.*. In general, primary local exchange carrier or PIC
9 changes will require the customer’s signature.

10 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

11 **A.** Yes, it does. I reserve the right, however, to amend or modify my testimony, as appropriate.